
By: **Delegate Marriott (By Request - Baltimore City Administration)**

Introduced and read first time: February 5, 2003

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Alcohol and Drug Abuse Administration - Designation of Nonprofit and**
3 **Quasi-Governmental Entities by Local Health Departments**

4 FOR the purpose of authorizing a local health department to designate certain
5 nonprofit and quasi-governmental entities to receive certain funds from the
6 Alcohol and Drug Abuse Administration; authorizing a local health department
7 to revoke its designation of a nonprofit or quasi-governmental entity except in
8 certain circumstances; requiring the Administration to disburse certain funds
9 directly to certain nonprofit or quasi-governmental entities; providing that the
10 Administration shall have a direct relationship with certain nonprofit or
11 quasi-governmental entities; providing that the Administration shall have
12 certain rights and remedies with certain nonprofit or quasi-governmental
13 entities; defining certain terms; and generally relating to the designation of
14 nonprofit or quasi-governmental entities by local health departments.

15 BY adding to

16 Article - Health - General

17 Section 8-901 and 8-902, inclusive, to be under the new subtitle "Subtitle 9.

18 Nonprofit or Quasi-Governmental Organizations"

19 Annotated Code of Maryland

20 (2000 Replacement Volume and 2002 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - Health - General**

24 **SUBTITLE 9. NONPROFIT OR QUASI-GOVERNMENTAL ORGANIZATIONS.**

25 8-901.

26 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS

27 INDICATED.

1 (B) "DESIGNEE" MEANS A NONPROFIT OR QUASI-GOVERNMENTAL ENTITY
2 DESIGNATED BY A LOCAL HEALTH DEPARTMENT TO RECEIVE FUNDS FROM THE
3 ADMINISTRATION TO PLAN, MANAGE, MONITOR, AND DISBURSE FUNDS TO
4 SUBSTANCE ABUSE PREVENTION AND TREATMENT PROGRAMS.

5 (C) "NONPROFIT ENTITY" MEANS:

6 (1) AN ORGANIZATION THAT QUALIFIES UNDER § 501(C) OF THE
7 INTERNAL REVENUE CODE OF 1986, AS AMENDED; OR

8 (2) ANY SIMILAR ENTITY THAT DOES NOT OPERATE FOR PROFIT.

9 (D) (1) "QUASI-GOVERNMENTAL ENTITY" MEANS AN ORGANIZATION
10 CREATED BY A UNIT OF GOVERNMENT TO PLAN FOR THE USE OF, MONITOR,
11 DISBURSE, AND MANAGE PUBLIC FUNDS.

12 (2) "QUASI-GOVERNMENTAL ENTITY" INCLUDES BALTIMORE
13 SUBSTANCE ABUSE SYSTEMS, INC.

14 8-902.

15 (A) A LOCAL HEALTH DEPARTMENT MAY DESIGNATE A NONPROFIT OR
16 QUASI-GOVERNMENTAL ENTITY TO RECEIVE FUNDS FROM THE ADMINISTRATION TO
17 PLAN, MANAGE, MONITOR, AND DISBURSE FUNDS TO SUBSTANCE ABUSE
18 PREVENTION AND TREATMENT PROGRAMS.

19 (B) A LOCAL HEALTH DEPARTMENT MAY REVOKE ITS DESIGNATION OF A
20 NONPROFIT OR QUASI-GOVERNMENTAL ENTITY AT ANY TIME EXCEPT TO THE
21 EXTENT THAT THE ADMINISTRATION, THE DESIGNEE, OR BOTH HAVE ACTED IN
22 RELIANCE ON THE DESIGNATION.

23 (C) IF A LOCAL HEALTH DEPARTMENT DESIGNATES A NONPROFIT OR
24 QUASI-GOVERNMENTAL ENTITY TO RECEIVE FUNDS, THE ADMINISTRATION SHALL
25 DISBURSE FUNDS BUDGETED FOR THE LOCAL HEALTH DEPARTMENT DIRECTLY TO
26 THE LOCAL HEALTH DEPARTMENT'S DESIGNEE.

27 (D) THE ADMINISTRATION SHALL HAVE A DIRECT RELATIONSHIP WITH THE
28 DESIGNEE.

29 (E) THE ADMINISTRATION SHALL HAVE THE SAME RIGHTS AND REMEDIES
30 WITH THE DESIGNEE AS IT WOULD OTHERWISE HAVE WITH THE LOCAL HEALTH
31 DEPARTMENT.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2003.